



Stephen Brown (Chief Officer)

Orkney Health and Care

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Agenda Item: 5

Orkney Integration Joint Board

Thursday, 25 September 2025, 16:00.

Council Chamber, Council Offices, Kirkwall.

Minute

Present

Voting Members:

Orkney Islands Council:

Councillors Lindsay Hall, Rachael King and Jean Stevenson.

NHS Orkney:

Davie Campbell (proxy), Rona Gold (via Microsoft Teams) and Joanna Kenny.

Non-Voting Members:

Professional Advisers:

- Stephen Brown, Chief Officer of the Integration Joint Board.
- Dr Elvira Garcia, Secondary Medical Care Practitioner representative (proxy for Dr Louise Wilson) (via Microsoft Teams).
- Deborah Langan, Section 95 Officer of the Integration Joint Board.
- Darren Morrow, Chief Social Work Officer of the constituent local authority, Orkney Islands Council (via Microsoft Teams).
- Sam Thomas, Nurse representative, employed by NHS Orkney (via Microsoft Teams).

Stakeholder Members:

- Morven Brooks, Third Sector Representative (via Microsoft Teams).
- Willie Neish, Carer Representative.
- Danny Oliver, Staff-side Representative, Orkney Islands Council.

Clerk

- Hazel Flett, Service Manager (Governance) Orkney Islands Council.

In Attendance

Orkney Health and Social Care Partnership:

- Lynda Bradford, Head of Health and Community Care.
- John Daniels, Head of Primary Care Services.

Orkney Islands Council:

- Veer Bansal, Solicitor.
- Susan Taylor, Committees Officer.

Not Present

Professional Adviser:

- Dr Kirsty Cole, General Practitioner representative, appointed by NHS Orkney.

Stakeholder Members:

- Sarah Kennedy, Carer Representative.
- Ryan McLaughlin, Staff-side Representative, NHS Orkney.

Chair

- Joanna Kenny, NHS Orkney.

1. Apologies

The Chair welcomed everyone to the meeting and reminded members that the meeting was being broadcast live over the Internet on Orkney Islands Council's website. The meeting was also being recorded, with the recording publicly available for listening to after the meeting for 12 months.

Apologies for absence had been intimated on behalf of the following:

- Voting Member:
 - Issy Grieve.
- Non-Voting Members:
 - Dr Louise Wilson, Secondary Medical Care Practitioner representative, employed by NHS Orkney.
 - Frances Troup, Head of Community Learning, Leisure and Housing, Orkney Islands Council.
- Orkney Health and Social Care Partnership:
 - Morven Gemmill, Associate Director of Allied Health Professions.

2. Declarations of Interest

There were no declarations of interest intimated in respect of items of business to be discussed at this meeting.

3. Revenue Expenditure Monitoring

There had been previously circulated a report presenting the revenue expenditure position as at 30 June 2025, for scrutiny.

Deborah Langan highlighted the following:

- As at 30 June 2025, overspend of £815k on delegated services and £435k on Set Aside services.
- Main drivers continued to be agency and locum cover within delegated services and consultant spend and hospital drugs within Set Aside services.
- Work remained ongoing to identify savings, with all commitments being reviewed, including staffing and service delivery.
- Proposed disestablishment of post would result in £110k being redirected towards NHS Orkney's savings target, and would not compromise service delivery.
- Significant year end overspend currently predicted.
- Covid funding:
 - £12k within reserves was a result of Scottish Government funding from 2022/23 and was not ring-fenced.
 - Spend within existing budget related to vaccination staff – previously received funding from Scottish Government which required to be reported separately, but could now be included in another budget line so as not showing as COVID-19.
- Monthly briefings would be issued between quarterly reporting to the Board.

In response to a question from Councillor Lindsay Hall, Stephen Brown confirmed that the accrued savings from the vacant post of Head of Strategic Planning and Performance as at 31 March 2025 had helped offset overspends elsewhere. Should the Board approve disestablishment of the post, £110k would be removed from NHS Orkney's baseline budget and reduce the savings target.

In response to a question from Davie Campbell, Stephen Brown agreed that aligning language across all three parties' financial reporting would be beneficial, for example the Clinical Services Review and how that was assisting in identifying potential savings and/or service redesign/transformation. Regarding timing of financial reporting, Deborah Langan advised that the outturn report had always been reported to the September meeting of the Board, however she undertook to provide monthly briefings on the current financial position, outwith the formal quarterly reporting process.

Rona Gold questioned whether or not disestablishment of the vacant post would pose a risk to operations. Stephen Brown advised that, whilst there was always an element of risk, when the post became vacant, a review of the duties of that post, as well as those of the existing performance team, had been undertaken, resulting in reconfigured roles being created from within existing resources, thus mitigating that risk.

Rona Gold asked how the £600k savings target included within the budget to date was to be distributed between the Council and NHS Orkney. Stephen Brown referred to the historical £2.4m savings target imposed by NHS Orkney pre-pandemic, with no-one now in post who had any knowledge of how the figure was arrived at. However, more collegiate discussions were now taking place with a view to eliminating that figure. Going forward, a legitimate savings target over the following three years had been agreed, with £200k per month being allocated.

In response to a query from Councillor Rachael King regarding the lack of budget for Self-Directed Support for children, Deborah Langan advised that this had not been promoted in the past, unlike adult services. Councillor Rachael King suggested that demand for this service was based on assessed need, regardless of the sector, and therefore additional costs would accrue. Danny Oliver referred to existing budget for Self-Directed Support being overspent. Stephen Brown advised that, when first introduced, Self-Directed Support provided an opportunity to consider a menu of services with a personalised approach. However, existing services required to continue, therefore adding to costs, rather than achieving savings. While the provision of Self-Directed Support for children and young people should have been promoted sooner, this could, over time, lead to savings on expensive packages of care. Creating a distinct budget would require a reduction in budget elsewhere. Lynda Bradford confirmed that, far from reducing day care services and/or budget, there was now a waiting list for day care services post pandemic; Self-Directed Support provided different support from day care.

In response to a comment from Danny Oliver, Stephen Brown recognised that discussion had focussed on the Self-Directed Support approach, however the same analogy applied to a host of other service areas with increased demand. Tailoring solutions to meet needs came at a cost, however when it was done right, it could make a huge difference. In practical terms, social care was a growing area of demand with a finite budget and no easy solutions.

In response to a query from Councillor Rachael King, Deborah Langan undertook to provide further information in relation to requests for Self-Directed Support from residents within the ferry-linked islands, given the different services available and localities.

The Board thereafter noted:

3.1. The financial position of the Orkney Health and Social Care Partnership as at 30 June 2025 as follows:

- A current overspend of £815k on delegated services and an overspend of £435k on Set Aside services.

- The quarter 1 overspend on delegated services comprised £372k overspend on NHS Orkney commissioned services and £443k overspend on Orkney Islands Council commissioned services.

3.2. That work would be undertaken with both partners with the aim of achieving savings to deliver a position that was closer to a balanced budget by year end.

The Board **resolved:**

3.3. To approve the Direction, attached as Appendix 1 of the report circulated, to disestablish the post of Head of Strategic Planning and Performance and utilise the recurrent budget, totalling £110,407, to put towards the NHS Orkney savings target.

4. Financial Recovery Plan

There had been previously circulated a report presenting a draft Financial Recovery Plan, for consideration and approval.

Deborah Langan advised that, in terms of the Medium-Term Financial Plan, the Board was forecasting a funding gap of £11.3m over the next three years. The draft Financial Recovery Plan set out a clear and structured roadmap to address that funding gap. Four key objectives to guide recovery and transformation were proposed in order to:

- Address the funding gap through targeted recovery actions.
- Support delivery of the Strategic Plan and Strategic Plan Delivery Plan.
- Improve financial resilience and operational efficiency.
- Provide a framework for monitoring progress and engaging stakeholders.

Each objective was supported by actions and timelines, broken down into phases, with the first phase focussing on audit and service mapping. The second phase would look at service redesign, a recruitment strategy and digital pilots, while the final phase would embed and evaluate long-term stability. The plan was very ambitious, with a proposed breakeven position by the end of financial year 2027/28.

Deborah Langan ended by saying the Plan was very different to what had previously been submitted and was happy to take on board suggestions for improvement prior to the next iteration.

Councillor Lindsay Hall commented that, although the Plan would not solve everything overnight, it would go a long way to addressing issues and recommended that it be approved.

Councillor Lindsay Hall then left the meeting at this point.

Davie Campbell commented that, although a lot of work had gone on behind the scenes, the draft Plan, whilst aspirational, did not contain much finance, with no deep dive into existing plans, and therefore he was minded to note, rather than approve, it in its current form.

Sam Thomas advised that there was no reference to the Health and Care (Staffing) regulations and suggested that clinical leads should be incorporated within the Plan. The Chair asked that the appropriate people be invited to interact with Deborah Langan to ensure that was captured.

Morven Brooks commented that the draft Plan needed to reflect the social as well as monetary value and that the Third Sector were not just contractors, but partners, supporting people.

Rona Gold commented that the Plan was a logical approach to change, but queried whether the digital element was a standalone task, as it could provide solutions for other actions. When implementing change, financial targets often helped drive creativity. She continued that savings should be achieved on an annual basis, otherwise there was no luxury of time, resulting in very difficult decisions having to be made.

Darren Morrow commented that, as a professional adviser to the Board, he welcomed the draft Plan as a pragmatic start for a systematic review and highlighted the need for time to be taken to work through the proposed phases. While financial detail was required, the initial work to where savings could be achieved, should be undertaken first.

Councillor Jean Stevenson complimented Deborah Langan on the draft Plan, which outlined a framework for what was required, however, as was always the case, the devil was in the detail. She highlighted section 4.1.2, service decommissioning, and the importance of low-impact services and assessing risks.

In response to the above comments, Stephen Brown reassured the Board that many of the objectives of the Financial Recovery Plan were already being considered as part of the Clinical Services Review and, while some actions might require additional spend, this could lead to greater efficiencies.

Councillor Rachael King commented that there may be a need for initial spending in order to facilitate future savings and, whilst financial targets were important, the need for improved outcomes for service users was the top priority. She queried whether savings would be cashable, i.e. free for diversion to other services or used to reduce overspend and suggested that further work was required.

Danny Oliver queried how savings could be achieved when, in his opinion, Council budgets were currently not adequate to provide existing services. He questioned how management time would be freed to review services and thereafter execute and track actions, when recruitment and retention of existing staff needed to be prioritised.

In response, Stephen Brown commented that, whilst he did not disagree, there required to be a degree of realism, with conversations taking place at a national level; COSLA had suggested that additional funding of £750m was required for social care services alone. Locally, had all vacancies been filled, the budget overspend position would have been less than £1m, rather than the current £4m+ figure. Staff retention was currently healthy. He advised that the current settlement funding levels were inadequate and every opportunity was taken at every level to lobby the Scottish Government. In the meantime, existing budgets would require to be stretched as far as possible. In the last few years, officers had never once

recommended deleting services in order retain statutory provision, recognising that lower level services often made a difference. One of the largest savings achieved recently was £600k, as a result of moving individuals from long term hospital care to the community which, as well as monetary savings, resulted in improved outcomes for those individuals.

Discussion then followed as to whether the draft Financial Recovery Plan be approved or noted and the potential implications thereafter. Stephen Brown advised that the entire discussion was helpful for officers, bearing in mind that the Plan was iterative, and was heartened that the proposed actions were met with approval for progression, subject to further financial information and detail. He gave an assurance that work would continue, regardless of the outcome today.

The Board noted the draft Financial Recovery Plan 2025 – 2028, as presented, with a further iteration to be presented to the next meeting.

5. Conclusion of Meeting

There being no further business, the Chair declared the meeting concluded at 17:18.